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SUBJECT: SENATOR FEINGOLD'S MEETING WITH ASEAN SECRETARY

GENERAL ONG KENG YONG

Classified By: B. Lynn Pascoe, Ambassador. Reason: 1.5 (b) and (d)

- 11. (SBU) In a wide-ranging discussion on February 23, ASEAN General Secretary Ong Keng Yong outlined ASEAN's priorities and challenges for U.S. Senator Russell Feingold. He praised the U.S.-ASEAN Enhanced Partnership, noting that it reaffirms a critical relationship sometimes taken for granted in the region. He explained that despite an outward display of comity, ASEAN had in fact exerted strong pressure on the Burmese regime behind the scenes. Despite this, the SPDC continues stubbornly to pursue its own course, much to the chagrin of its ASEAN neighbors. Ong described China's role in the region. He noted that despite ASEAN's efforts to engage and direct its growing economic influence, ASEAN member states' differing degrees of dependency on commercial ties to China sometimes lead to frictions within the organization. End summary.
- 12. (SBU) On February 23, Senator Russell Feingold, accompanied by professional staff members Grey Frandsen and Evan Gottesman and Embassy political officer, met with ASEAN Secretary General Ong Keng Yong. Ong was accompanied by

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Dhannanjaya Sunoto, Director for External Program Coordination and External Relations.

13. (SBU) Senator Feingold said that as a member of the Senate Foreign Relations Committee and its Subcommittee on East and Asia and the Pacific, he wanted to underscore the importance of ASEAN and its relations with the U.S. He invited Ong to provide an overview of ASEAN's current priorities.

ASEAN Priorities and Challenges

¶4. (SBU) Ong characterized ASEAN's major project - economic integration of its ten members - as a long-term goal fraught with difficulties and often sidetracked by "distractions" and regional crises. The disparity in development of ASEAN's member states was a challenge to economic integration, particularly in an age of rapid globalization. He cited as one example ASEAN-wide implementation of rules of origin regulations. By the time ASEAN had gotten all of its members on board, including economically weaker states such as Laos, the WTO agreed to a whole new regime, making the rendering the previous system obsolete. On free trade, Ong noted that ASEAN's project of creating a single market was complicated by its members' ongoing individual efforts to negotiate bilateral trade agreements with major countries such as

Japan, South Korea, and China.

- 15. (SBU) The rise of Chinese economic power, Ong said, was also a challenge. Rather than standing by passively, Ong said, ASEAN had tried to engage China in order to channel the relationship and avoid being dominated. This collective approach was however undermined by competition among ASEAN members for Chinese investment. Moreover, ASEAN had to deal with concerns about China's ascent on the part of Japan, which presents itself as a well-established friend of the region, and India, a new partner and emerging power.
- 16. (SBU) Ong explained that ASEAN's leaders had in recent years been confronted by pressing matters which had distracted them from the economic integration projects. One was terrorism. Another was "viruses:" avian flu and SARS. Finally, member state politics were sometimes in a challenge. Given the history of some of its member states, Ong said, ASEAN "has nothing against military governments per se," but the repressive Burmese regime had become highly problematic.

Burma

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17. (C) Senator Feingold asked how ASEAN deals with the problem of Burma given its doctrine of non-interference in the politics of member states. Secretary General Ong replied that while ASEAN governments maintain an appearance of comity to the outside world, they have in reality exerted strong pressure on the Burmese government behind the scenes. At the last ASEAN summit in Kuala Lumpur, one ASEAN Minister had called the SPDC's actions a "slap in the face" of the organization. Ministers had also charged that the Myanmar problem was "taking up too much time" in ASEAN's external relations. ASEAN, Ong said, had also been dismayed by Burma's surprise decision to move its capital.

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18. (C) Most of all, ASEAN states had been angered by the SPDC's refuse to receive Malaysian Prime Minister Abdullah Badawi as ASEAN envoy, Ong said. The Burmese Foreign Minister, he said, had initially agreed to this. The SPDC, he continued, had then turned off the visit on the pretext that it was "too busy" with other matters, but ASEAN had noted that the regime was apparently not too busy to send Prime Minister Soe Win on an official visit to China. This showed that the Foreign Minister was only empowered to consider ASEAN proposal but that commitments could only be made by General Than Shwe, who never attends ASEAN events, Ong explained. He commented that it was difficult to engage the Burmese because their envoys frequently use rhetoric replete with references to openness and democracy that seems to express accommodation of ASEAN's concerns. This impression, Ong said, is always dispelled by the SPDC's subsequent actions.

US-ASEAN Partnership

¶9. (SBU) Senator Feingold thanked Ong for his comments and commended ASEAN's efforts to effect positive change in Burma. He stressed the importance of the US-ASEAN Enhanced Partnership. Ong agreed, noting that it highlights the importance of ASEAN's ties with the U.S. at a time when the relationship is sometimes taken for granted because of the region's seeming preoccupation with countries such as China and India. Ong said he was pleased that President Bush met with seven ASEAN leaders at the APEC meeting in Korea to launch the agreement. He stressed that ASEAN accepts that the U.S. role in the region was critical, and in more than just a military sense. The US-ASEAN Enhanced Partnership, he said, demonstrates that the relationship was on a sound footing moving forward in spite of the Burma issue.

China's Role

110. (SBU) Senator Feingold ask for the Secretary General's

assessment of China's role in the region. Ong said that Chinese influence was growing rapidly and that its effects were "not all positive." ASEAN, he noted, adhered to a doctrine of "balance and parity" in its relations with outside powers. China, he said, finds it difficult to accept this, believing that it does not reflect economic reality. Economic and commercial ties to China vary among member ASEAN member states, Ong pointed out, and this proves problematic in countries with strong links to China such as Cambodia, Laos, Thailand, and Vietnam. For these countries, their relations with China sometimes take priority over their ties to smaller, more distant fellow ASEAN members. Despite ASEAN programs designed to counter this, this dynamic is becoming a problem. The more deeply China becomes involved in the region, the more disruptive it becomes, Ong said. He noted that the current chill in Chinese-Japanese relations was also perceptible in an ASEAN context.

111. (SBU) Ong also mentioned the Chinese role in the East Asia Summit. Since China had failed in its bid to dominate the event, he said, it was now in "listening" mode on the process, and would see how it developed further. During talks on summit modalities, Ong said, ASEAN had discreetly urged China to "back off" because its overbearing manner was intimidating other members. In the end, Ong said, ASEAN had taken the lead at the first East Asia Summit.

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